

ACTION AGENDA

Monday, October 22, 2012

Special Meeting

Committee of the Whole

Regular Meeting

SPECIAL MEETING AGENDA

Session 12-31 a Special Meeting of the Homer City Council was called to order on October 22, 2012 at 4:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, HOWARD, LEWIS, ROBERTS,
ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON

2. **AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There was one who commented.

4. NEW BUSINESS

A. City Council Applicants – Introduction/Presentation

James Dolma and Sharon Minsch presented themselves to Council for appointment to the vacant seat.

- B. **Memorandum 12-167**, from City Clerk, Re: Selection/Appointment of Councilmember to Fill Vacancy

APPROVED.

James Dolma received five votes and was appointed to fill vacant council seat.

City Clerk Johnson swore in James Dolma.

5. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

6. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

7. COMMENTS OF THE CITY CLERK

City Clerk Johnson offered congratulations to Councilmember Dolma.

8. COMMENTS OF THE CITY MANAGER

City Manager Wrede congratulated Mr. Dolma and looks forward to working with him.

9. COMMENTS OF THE MAYOR

Mayor Wythe welcomed Mr. Dolma to the Council. She hopes he came ready since we will jump in the next meeting with the budget.

10. COMMENTS OF THE CITY COUNCIL

Councilmember Roberts welcomed Mr. Dolma. We are glad to have you and look forward to working with you.

Councilmember Zak welcomed Mr. Dolma and thanked him for his answers during the interview process. He thanked both candidates for preparing and sharing the comments. He thanked Sharon Minsch for applying. What made a difference to Mr. Zak was that Mr. Dolma did run for the regular election and received quite a few votes.

Councilmember Dolma thanked Council for appointing him.

Councilmember Burgess welcomed James and thanked Sharon for throwing her name into the ring.

Councilmember Lewis welcomed James and said be careful what you wish for.

Councilmember Howard congratulated Mr. Dolma. The fact that he stepped up to the election process and there was only a 43 vote difference means the citizens have the best of the world. They have all the candidates they were hoping to elect this year.

11. ADJOURNMENT

Mayor Wythe adjourned the meeting at 4:32 p.m.

**COMMITTEE OF THE WHOLE
AGENDA**

1. CALL TO ORDER, 5:00 P.M.

Mayor Wythe called the meeting to order at 5:00 p.m.

- 2. AGENDA APPROVAL** (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

- 3. 2013 BUDGET**

Regina Mauras, Finance Director, provided an overview of the budget.

- 4. REGULAR MEETING AGENDA**

- 5. COMMENTS OF THE AUDIENCE**

There were no comments of the audience.

- 6. ADJOURNMENT NO LATER THAN 5:50 P.M.**

Mayor Wythe adjourned the meeting at 5:52 p.m.

REGULAR MEETING AGENDA

Session 12-32 a Regular Meeting of the Homer City Council was called to order on October 22, 2012 at 6:00 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, HOWARD, LEWIS, ROBERTS, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR PETERSEN
POLICE CHIEF ROBL

Department Heads may be called upon from time to time to participate via teleconference.

- 2. AGENDA APPROVAL**

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was approved by consensus of the Council with the following changes:

CONSENT AGENDA - Memorandum 12-161(A), Appointment of Councilmember Bryan Zak to the Economic Development Advisory Commission and Port and Harbor Improvement Committee, and Appointment of Councilmember Burgess to the Water and Sewer Rate Task Force, and Appointment of Francie Roberts to the Permanent Fund Committee; **ORDINANCES - Ordinance 12-47**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were two who commented.

4. RECONSIDERATION

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Regular Meeting minutes of October 8, 2012. City Clerk. Recommend adoption.
- B. **Memorandum 12-161**, From Mayor, Re: Appointment of Councilmember Bryan Zak to the Economic Development Advisory Commission and Port and Harbor Improvement Committee, and Appointment of Councilmember Burgess to the Water and Sewer Rate Task Force.

Memorandum 12-161(A), From Mayor, Re: Appointment of Councilmember Bryan Zak to the Economic Development Advisory Commission and Port and Harbor Improvement Committee, Appointment of Councilmember Burgess to the Water and Sewer Rate Task Force, and Appointment of Francie Roberts to the Permanent Fund Committee.

APPROVED without discussion.

6. VISITORS

- A. **Homer Playground Project (HoPP) for Karen Hornaday Park**, Deb Cox

Deb Cox and Taz Tally provided a video on the Karen Hornaday Park playground project. It was a 4-minute video depicting a photo taken every 5 minutes for the 8 days of build week.

Mayor Wythe announced two awards will be recognized at the next council meeting: Karen Hornaday Park Playground Project (HoPP) – 2011 Facility Excellence Award and Homer Parks and Community Recreation – 2011 Outstanding Organization Award.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

- A. **Mayor's Proclamation** – Extra Mile Day, November 1, 2012

Mayor Wythe read the proclamation.

- B. Borough Report

- C. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

8. PUBLIC HEARING(S)

- A. **Ordinance 12-46**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds in the Amount of \$50,165 from the General Fund Balance to Carry Out the Requirements of Homer City Code Title 17 Entitled Improvement Districts and to Implement a Public Information Strategy Related to the Proposed Natural Gas Special Assessment District. City Manager.

Memorandum 12-159 from City Manager as backup.

Mayor Wythe stated her ongoing conflict of interest and passed the gavel to Mayor Pro Tempore Roberts.

There were five who testified.

ADOPTED without discussion.

Mayor Pro Tempore Roberts passed the gavel back to Mayor Wythe.

9. ORDINANCE(S)

- A. **Ordinance 12-47**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures).

City Manager. Recommended dates: Introduction October 22, 2012, Public Hearings November 26 and December 10, 2012, Second Reading December 10, 2012.

Resolution 12-088, A Resolution of the City Council of Homer, Alaska, Maintaining the City of Homer Fee Schedule at the Current Rates. City Clerk. Recommended to follow Budget Ordinance 12-47 schedule.

Resolution 12-089, A Resolution of the City Council of Homer, Alaska, Maintaining the Port of Homer Terminal Tariff No. 600. City Clerk. Recommended to follow Budget Ordinance 12-47 schedule.

ADOPTED ORDINANCE 12-47 with discussion. (Resolutions 12-088 and 12-089 will follow Ordinance 12-47 schedule.)

- B. **Ordinance 12-48**, An Ordinance of the City Council of Homer, Alaska, Amending the Official Road Maintenance Map of the City of Homer by Adding Kestrel Circle and a Portion of Golden Plover Avenue as Urban Road. City Manager/Public Works Director. Recommended dates: Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandum 12-162 from Public Works Inspector as backup.

ADOPTED with discussion.

- C. **Ordinance 12-49**, An Ordinance of the City Council of Homer, Alaska Appropriating \$20,000 from the Homer Accelerated Roads and Trails Fund (HART) for the Purpose of Conducting Survey Work and Engineering / Cost Estimating to Determine the Cost of Constructing the Initial One Half Mile of the Proposed Kachemak Drive Non-Motorized Pathway in Accordance with Resolution 12-079(S). Mayor/City Council. Recommended dates: Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandums 12-163, 12-164, and 165 from Kachemak Drive Path Committee as backup.

ADOPTED without discussion.

- D. **Ordinance 12-50**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Grant Award from the Rasmuson Foundation in the Amount of \$18,852 for Collection Enhancement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Recommended dates: Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandum 12-166 from Library Director as backup.

ADOPTED without discussion.

- E. **Ordinance 12-51**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Capital Budget by Appropriating \$212,270 from the Homer Accelerated Roads and Trails Fund (HART) to Re-Pave Fish Dock Road and Construct Improvements to Outer Dock Road and Appropriating \$100,000 from the General Fund Reserves / Fund Balance for a Reimbursable Economic Development Grant to Fund the Homer Tidal Power Incubator Project. Mayor. Recommended dates: Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

ADOPTED with discussion.

10. CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Wrede reported Buccaneer Energy will have public hearings on Wednesday, October 24th at Bidarka at 6:00 p.m. and Thursday, October 25th at McNeil Canyon School at 6:30 p.m. They will be talking about drilling out East End Road and the jackup rig.

DOT has a public hearing tomorrow from 4:00 – 7:00 p.m. to talk about the Sterling Highway erosion response, in particular the area just north of Anchor Point. The meeting will be at City Hall.

City Manager Wrede announced two awards will be recognized at the next council meeting: Karen Hornaday Park Playground Project (HoPP) – 2011 Facility Excellence Award and Homer Parks and Community Recreation – 2011 Outstanding Organization Award.

Last Thursday Cook Inletkeeper had a meeting to discuss the Buccaneer jackup rig. When the City first agreed to allow the jackup rig at the dock it was agreed it was a vessel. It was a barge with its legs up that would stay for 8 days. The story has since changed. Vessel work was not done in Singapore. There is a laundry list of repairs including painting, welding, and safety measure. Between 26-27 people are working two shifts around the clock on the jackup rig. It has not yet received Coast Guard certification to leave for the drilling site. The departure date has been set back a couple times. Repairs will not take longer than October 31st.

The legs on the jackup rig being down has caused controversy. The legs were extended 15 to 20 ft.; they are not in a pinned position. The legs are down enough to create enough of a drag so that the vessel cannot move laterally. Before the legs were extended the rig was pushing up against or pulling away from the dock. It does not ride very well at the dock due to its triangular shape. It draws 16 ft. and is really heavy with the super structure on top. Once the wind started blowing it got a little hair. The engineers say anything over 30 knot winds and we are in trouble. We had 35 and 40 knot winds and there was damage to the dock. Three tugs were working at up to 50% power to keep the rig there. After a meeting with all the officials, the sensible answer was to put the legs down. There is controversy whether the critical habitat area applies at the dock. Municipal tidelands are exempt, but that conflicts with State Statutes. Fish and Game has to resolve the issue. We are trying to plan for what happens if the jackup rig does not leave. Their

window is getting smaller and they will have to prepare if they want to be here all winter. We told Buccaneer if they want to stay here for the winter they will have to have the legs down. It is up to Buccaneer to talk to Fish and Game for a special area permit to allow it.

Council discussed the need for Buccaneer Energy to have insurance and to see if AML will cover the City. There has been controversy on the rig being here, but just as strong support from the business community to keep it here. It has been a tough season and the jackup rig keeps folks working.

Council commented if the rig is allowed to stay here the first concern is safety, then to make sure the City profits from their presence. The vessel should be charged to reflect 16 ft. of draft. Homer profits from assuming liability and the eyesore.

The jackup rig is using up the entire face of the Deep Water Dock, including the dolphins. We are turning commerce away. The Tustumena is about to be laid up for repairs and the Kennicott will be visiting twice per month. We may ask Buccaneer to move the rig to the inside of the dock. They will hire engineers to do a geotechnical survey so they won't get the legs stuck and there is no damage to pilings.

A portion of the Deep Water Dock is close to the edge of city limits. A survey should be conducted for the goal of annexing that portion of land to consider harbor expansion.

City Manager Wrede noted the more immediate concern is three-fourths of the dock is on land that the City leases from the State of Alaska. City Planner Abboud is working with the Borough and State to get tidelands conveyed to the City.

The jackup rig is generating quite a bit of sales tax. Workers are spending a lot of money in hotels, restaurants, and on parts. We have not yet looked into collection property tax from the jackup rig.

The City received a letter there were no invasive species found on the jackup rig. The Port and Harbor Director has the right to board and inspect any vessel.

Other concerns include notifying FAA of the height of the jackup rig for airplane safety. The rig presents a visual impairment to view the bay; there is a 35 ft. building height restriction in the view shed.

A copy of Buccaneer's blow out plan was requested at the October 8th meeting, but has not yet been provided. City Manager Wrede will make an official request.

City Manager Wrede reported there have been two neighborhood meetings on the gas line. Overall, it is going well. We are trying hard to get the information out there. We remain as neutral as we can and some people think we are not spending enough time talking about the benefits. Others think we are glossing it over with no risk or downside. We aim to be as transparent as possible and get as much information to the public as possible. Any ideas for improvement are welcome.

- B. Bid Report

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee

Councilmember Howard welcomed Councilmember Roberts. The first meeting for the Permanent Fund Committee is November 8th at 5:15 p.m. She thanked Mayor Wythe for the concept of the Permanent Fund and for serving on the committee. She will miss her.

- D. Lease Committee
- E. Port and Harbor Improvement Committee

Councilmember Howard welcomed Councilmember Zak. Currently the committee is in recess as they are waiting for reports from various contractors. They will then resume their work.

- F. Employee Committee Report
- G. Water and Sewer Rate Task Force

Councilmember Howard thanked Councilmember Burgess for taking her slot on the committee. There is a lot of important work to do. She thanked Council for hopefully allowing Mayor Wythe to continue serving on the committee.

13. PENDING BUSINESS

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 12-090**, A Resolution of the City Council of Homer, Alaska, Noting the Insufficiency of the Petition for the Sterling Highway/Saltwater Drive Water and Sewer Special Assessment District. City Clerk.

ADOPTED without discussion.

- B. **Resolution 12-091**, A Resolution of the City Council of Homer, Alaska, Expressing Its Support for a Kachemak Nordic Ski Club Application to the Recreational Trail Grant

Program of the State of Alaska Division of Parks and Outdoor Recreation for a Maintenance Building at the Lookout Mountain Ski Area in the Amount of \$50,000. City Manager.

ADOPTED without discussion.

- C. **Resolution 12-092**, A Resolution of the City Council of Homer, Alaska, Designating Signatories of City Accounts and Superseding Any Previous Resolution So Designating. City Clerk.

ADOPTED with discussion.

- D. **Resolution 12-093**, A Resolution of the City Council of Homer, Alaska, in Support of Full Funding for the State of Alaska Municipal Harbor Facility Grant Program in the FY2014 Capital Budget. City Manager.

ADOPTED with discussion.

- E. **Resolution 12-094**, A Resolution of the City Council of Homer, Alaska, Amending Resolution 12-027(A), the Composition of the Water and Sewer Rate Task Force, to Allow Mayor Wythe to Continue to Serve as a Task Force Member Until the Completion of Their Findings and Recommendations to the City Council. City Manager.

Memorandum 12-168 from Water and Sewer Task Force as backup.

ADOPTED with discussion.

16. COMMENTS OF THE AUDIENCE

There were three who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson commented absentee voting for the General Election is available now through election day.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede commented he will be out of the office this week with some personal days off and meeting with the City Attorney, Enstar, and DOT on Main Street issues. The issue of costs keeps coming up for Enstar. The goal is to get a draft contract for the public to see on the website. It should address issues with real costs. We will try to write all of it in the contract.

There has to be a number of bidders. Enstar should pre-quality their bidders and then take the low bid. We will get to see the bidders and what went into the RFP. We will have an accounting of Enstar's actual costs, to include timesheets. The remaining variable is the overhead; there is still disagreement over it. He hopes way before the point Council has to make a decision we will have more information as to real costs and The City's ability to

20. COMMENTS OF THE MAYOR

Mayor Wythe reiterated the public hearings for Buccaneer: Wednesday, October 24th at Best Western 6:00 p.m., Thursday, October 25th at McNeil Canyon School at 6:30 p.m. There is a DOT meeting from 4:00 to 7:00 p.m. on October 23rd at City Hall on the erosion of the Sterling Highway. There are several opportunities for people to catch up on what is going on. Deb Cox and Tax Tally provided homerplaygroundproject.org and we will have a link on the City's website. She welcomed new Councilmember James Dolma.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Roberts welcomed James and is glad she will be working with him.

Councilmember Lewis welcomed James and asked that we give him a chance to go to AML for the new person portion. He asked if there was a means to approve the travel since we had to approve Beth, Bryan and Beau's travel.

Councilmember Burgess welcomed James and said it is great to have him here. Something is right in the community when you serenade the Mayor via ukulele on his way out. He gave a shout out to the ukulele group.

Councilmember Howard complimented Mayor Wythe on the great meeting. She welcomed Mr. Dolma and congratulated Jo Johnson as the newest grandmother in the room.

Councilmember Zak welcomed James Dolma. He appreciates Sharon Minsch for applying. Both are good candidates and it was a great presentation at 4:00 p.m. He put a shout out for the Extra Mile Day and acknowledged Monte Davis from the Chamber of Commerce in the audience. There is opportunity to put your dollars to work in the community by buying a ticket for the car raffle. You can actually go another couple hundred thousand extra miles if you should win.

Councilmember Dolma thanked City Manager Wrede for showing up for so many meetings last week. He thanked staff for the extra hours they provided and Council for appointing him. Now the fun is over and the work begins.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 7:46 p.m. The next Regular Meeting is Monday, November 26, 2012 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.